



Foreign Agricultural Service

GAIN Report

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Egypt

Grain and Feed

Rice Report

2002

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Report Highlights:

Egyptian rice exports are expected to decline by about 48 percent in CY 2002 due to high prices relative to other suppliers.

Includes PSD changes: Yes

Includes Trade Matrix: No

Unscheduled Report

Cairo [EG1], EG

PSD Table						
Country:	Egypt					
Commodity:	Rice, Milled					
		2001		2002		2003
	Old	New	Old	New	Old	New
Market Year Begin		01/2001		01/2002		01/2003
Area Harvested	588	563	600	672	0	650
Beginning Stocks	1031	1304	1209	1210	0	1660
Milled Production	3422	3575	3801	3900	0	3835
Rough Production	5265	5500	5848	6000	0	5900
Milling Rate(.9999)	6500	6500	6500	6500	0	6500
TOTAL Imports	0	0	0	0	0	0
Jan-Dec Imports	0	0	0	0	0	0
Jan-Dec Import U.S.	0	0	0	0	0	0
TOTAL SUPPLY	4453	4879	5010	5110	0	5495
TOTAL Exports	650	670	700	350	0	400
Jan-Dec Exports	650	670	700	350	0	400
TOTAL Dom. Consumption	3100	3000	3100	3100	0	3150
Ending Stocks	703	1209	1210	1660	0	1945

PS&D estimates for 2002 have been revised to reflect the final Ministry of Agriculture estimates for both area and production, and to also reflect actual export data for the MY 2001/02 (Sept 15, 2001 through Sept, 14,2002). For rough rice, we revised area and production upward from 600,000 HA and 5.5 MMT, to 672,000 HA and 6 MMT respectively. We also revised total exports downward from 700,000 MT to 350,000 MT. Ending stocks were also revised upward from 1.2 MMT to 1.35 MMT.

There are two reasons behind the slowdown in rice exports during the CY 2002. First, the government's rice export subsidy program which made Egyptian rice exports more price competitive in international markets ended in September 2001. As a result, Egyptian rice export prices increased substantially in 2002. According Egyptian exporters, the export price of medium grain rice (6% broken) is currently between \$250 and \$300 per MT C&F. The export price of short grain rice averaged between \$190 and \$200 per MT/FOB last year. According to trade sources, the current export price for short grain rice is \$260 per MT FOB. This is compared to an average price of \$200 per MT FOB for medium grain rice and \$ 180 per MT FOB for short grain rice in CY 2001. Secondly, rough rice prices at the wholesale level increased substantially during the first three quarters of this year due to strong export demand. During the beginning of the export season (Oct 2001) rough rice prices averaged between LE 500 to LE 550/MT. Rough rice prices jumped to LE 700/MT by November 2001 and further increased to LE 900- 950/MT. As a result of these changes, total Egyptian rice exports will be substantially less this year. Wholesalers are keeping high stocks in

anticipation for renewal of government export subsidy program. Rough rice prices are beginning to soften at the local level due to high stocks. Traders reported that rough rice prices have fallen from LE 900/MT to LE 850/MT during the first two weeks in December 2002.

Egyptian monthly rice export figures by destination are as follows.

July\2002		
Sudan		3,925
Ukraine		3,727
Saudi-Arabia		3,245
Syria		2,948
Romania		2,550
Jordan		1,796
U K		1,020
Total		19211
Others		3931
G.T		23,142
Aug\2002		
Ukraine		3,390
Romania		2,065
Syria		2,052
Sudan		1,684
Jordan		1,330
U K		1,158
Total		11679
Others		2818
G.T		14,497
Sept\2002		
Jordan		21,362
Syria		5,179
Turkey		3,827
Romania		3,680
Sudan		2,972
Moldovia		2,350
Greece		1,157
Cameron		1,000
Total		41527
Others		2782
G.T		44,309

Source: Ministry of Agriculture and Central Agency for Public Mobilization & Statistics.